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COOPDINATION OF THE POLICIES AND ACTIVITIES OF THE SPECIALIZED AGENCIES AND OTHER BODIES OF THE UNITED NATIONS SYSTEM

Letter dated 24 October 1995 from the Secretary-General to the President of the Economic and Social Council

I am pleased to enclose herewith, for your attention, copies of an exchange of letters with the Director-General of the World Trade Organization, setting out a framework for cooperation between the United Nations and the World Trade Organization.

I should be grateful if you could bring this documentation to the attention of the members of the Economic and Social Council.

(Signed) Boutros BOUTROS-GHALI

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Annex I

Letter dated 29 September 1995 from the Director-General of the World Trade Organization to the Secretary-General

I refer to the recent consultations we have held within the framework of General Assembly resolution 49/97 of 19 December 1994 on the strengthening of international organizations in the area of multilateral trade and the decision of 3 April 1995 of the General Council of the World Trade Organization mandating me to conclude a global arrangement with the United Nations based on the previous United Nations/GATT relationship.

Our consultations brought out the importance we both attach to achieving effective cooperation between the United Nations and the World Trade Organization, consistent with the respective status and mandates of the two organizations and the contractual nature of the World Trade Organization.

The conclusion which we have reached, as a result of these consultations and taking into account the experience in the relations between the United Nations and GATT, is that a flexible framework for cooperation, liable to further review and adaptation in the light of developments and emerging requirements, is the most desirable course of action.

We agreed, in that light, that the arrangements and practices described in the attached United Nations General Assembly document of 9 March 1976 (A/AC.179/5) in respect of the United Nations/GATT relationship (see annex III) provide a suitable basis to continue to guide relations between the United Nations and the World Trade Organization. Relations between the United Nations and the World Trade Organization will thus include the provision and exchange of relevant information, reciprocal representation, in accordance with the decisions of the competent bodies of the respective organizations, participation of the World Trade Organization in the Administrative Committee on Coordination and its subsidiary bodies, cooperation between secretariats, including in the statistical area, and administrative matters.

We further concluded that specific arrangements for cooperation between the World Trade Organization and the United Nations Conference on Trade and Development, in accordance with the relevant decisions of the General Council of the World Trade Organization, will be pursued by the two secretariats within the overall framework set out above, and in the light of recent relevant decisions of the Trade and Development Board, as well as General Assembly resolution 49/97.

Finally, we agreed, in our consultations, to recommend to the responsible intergovernmental organs that present arrangements governing the status of the International Trade Centre as a joint body be confirmed and renewed with the World Trade Organization, subject to revised budgetary arrangements as called for by the General Council of the World Trade Organization.

(Signed) Renato RUGGIERO

Annex II

Letter dated 29 September 1995 from the Secretary-General to the Director-General of the World Trade Organization

I acknowledge receipt of your letter of today's date, referring to the recent consultations we have held within the framework of General Assembly resolution 49/97 of 19 December 1994 on the strengthening of international organizations in the area of multilateral trade and the decision of 3 April 1995 of the General Council of the World Trade Organization mandating you to conclude a global arrangement with the United Nations based on the previous United Nations/GATT relationship.

Our consultations brought out the importance we both attach to achieving effective cooperation between the United Nations and the World Trade Organization, consistent with the respective status and mandates of the two organizations and the contractual nature of the World Trade Organization.

The conclusion which we have reached, as a result of these consultations and taking into account the experience in the relations between the United Nations and GATT, is that a flexible framework for cooperation, liable to further review and adaptation in the light of developments and emerging requirements, is the most desirable course of action.

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Finally, we agreed, in our consultations, to recommend to the responsible intergovernmental organs that present arrangements governing the status of the International Trade Centre as a joint body be confirmed and renewed with the World Trade Organization, subject to revised budgetary arrangements as called for by the General Council of the World Trade Organization.

(Signed) Boutros BOUTROS-GHALI

Annex III

UNITED NATIONS

GENERAL ASSEMBLY

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9 March 1976

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AD HOC COMMITTEE ON THE RESTRUCTURING
OF THE ECONOMIC AND SOCIAL SECTORS
OF THE UNITED NATIONS SYSTEM

RELATIONS OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE WITH THE UNITED NATIONS

Note by the Secretariat

The Secretariat circulates herewith a paper submitted by the General Agreement on Tariffs and Trade in response to the request made by the Committee to the Director-General of that organization at the 9th meeting on 12 February 1976.

RELATIONS OF GATT WITH THE UNITED NATIONS

The Economic and Social Council, by a resolution dated 18 February 1946, decided to call an International Conference on Trade and Employment; the Conference met at Havana from November 1947 to March 1948, and adopted a Final Act to which was annexed the Havana Charter. The Conference also established an Interim Commission for the International Trade Organization (ICITO). Although the Havana Charter failed to come into force, ICITO was never abolished and remains in existence to this day.

The General Agreement on Tariffs and Trade was designed to provide rules for the world trading system until the Havana Charter came into force. At the second session of the CONTRACTING PARTIES it was decided that the secretariat of ICITO would be employed on a reimbursable basis to serve as secretariat to the CONTRACTING PARTIES, and the Executive Secretary of ICITO has since been serving as Director-General (called the Executive Secretary until 1965) of the CONTRACTING PARTIES. This arrangement was confirmed in an exchange of letters between the then Executive Secretary of GATT and the then Secretary-General of the United Nations in August 1952. (Copies of the letters are attached to document E/5476/Add.12 of 24 May 1974.)

The 1952 letters also confirmed that the existence of the above arrangement, coupled with the close de facto working arrangements which existed between the United Nations Secretariat and the secretariat of the Interim Commission, rendered it unnecessary to make separate or formal agreements between the CONTRACTING PARTIES and the Economic and Social Council relating to the work of the General Agreement. This formal exchange of letters defined, and continues to define, the relationship between the CONTRACTING PARTIES and the United Nations, under which GATT is treated as a specialized agency on a de facto basis. As a result arrangements of a practical nature have developed in the course of years covering inter alia the following areas:

Exchange of information and documents

The United Nations receives copies of all GATT documents regularly distributed to GATT CONTRACTING PARTIES. The GATT receives copies of documents for the General Assembly and the Economic and Social Council, and of other United Nations organs which are of interest to GATT.

In addition, GATT provides such special information as may be requested by the United Nations.

Resolutions of the United Nations

Any resolution relating to GATT, referred to the CONTRACTING PARTIES by the General Assembly or the Economic and Social Council, is taken into consideration and, upon request, GATT submits a report on any action taken as a result of its

consideration. On essentially political matters the CONTRACTING PARTIES follow the policy expressed in article 86 of the Havana Charter, namely, to avoid passing judgement in any way on such matters and to follow decisions of the United Nations on such questions (SR.22/3 of 8 March 1965).

Reciprocal representation

The Secretary-General of the United Nations, or his representative, is invited to attend sessions of the CONTRACTING PARTIES, of the GATT Council and all regular GATT committees and working parties.

The Director-General of GATT, or his representative, is invited to attend plenary meetings of the General Assembly and its committees and meetings of the Economic and Social Council and, as appropriate, its subsidiary bodies. As regards the Economic and Social Council the question of GATT participation under the new rules of procedure of the Council was discussed during the fifty-ninth session of the Council in July 1975. It was agreed that GATT should continue to participate on the same footing as before (E/SR.1973 of 23 July 1975).

Co-ordination

The GATT participates in the work of the Administrative Committee on Co-ordination and its relevant subsidiary organs and, as appropriate, of any other bodies established by the United Nations to facilitate such co-operation and co-ordination. Mention may be made, in particular, of the ACC Preparatory Committee and the Consultative Committee on Administrative Questions (CCAQ). The GATT contributes its pro rata share in the budget of CCAQ.

Co-operation between secretariats

A close working relationship exists between the Secretariat of the United Nations, including the secretariats of the Economic and Social Council and the regional commissions, and the secretariat of GATT.

Statistical services

In order to avoid undesirable duplication between the statistical services of the United Nations and GATT, regular consultations take place between the services on the most efficient use of resources. Such consultations take place directly between the services concerned, or through the annual meetings of the ACC Sub-Committee on Statistics.

Consequently, GATT greatly relies on supply of statistics by the United Nations statistical services. Where appropriate, the United Nations provides statistical information on computer tapes.

The GATT participates in the co-operative arrangement between several agencies for electronic data processing through the International Computing Centre and it shares in the costs of ICC.

Personnel arrangements

The GATT applies the United Nations Staff Rules and Regulations and United Nations Financial Regulations. Deviations from the application of these rules and regulations require a specific approval by the CONTRACTING PARTIES. The continued application to GATT of the United Nations Staff Rules and Regulations and United Nations Financial Regulations and Rules was confirmed by the CONTRACTING PARTIES in December 1970 (L/3454, C/M/65).

Under present arrangements members of the GATT staff may use the United Nations laissez passer as a travel document.

Administrative co-operation

The GATT participates in a number of co-operative arrangements of an administrative nature, established between the United Nations and the international organizations in Geneva, such as the Joint Medical Service, the Joint Housing Service, the Joint Purchasing Service, the United Nations Staff Mutual Insurance Society against Sickness and Accident, the United Nations Language Courses and Staff Development Programme etc. The costs of these co-operative arrangements are shared on a pro rata basis by the participating organizations.

Affiliation of GATT to the United Nations Pension Fund

The GATT is affiliated to the United Nations Joint Staff Pension Fund. The regulations of the Pension Fund were amended to that effect by General Assembly resolution 874 (IX) and an agreement was concluded by the Secretary-General of the United Nations and the Executive Secretary of ICITO on 20 May 1957.

Regional commissions and other United Nations organs

The above arrangements regarding reciprocal representation and exchange of information and documents equally apply to the regional commissions and other United Nations organs. Invitations to be represented at sessions of the CONTRACTING PARTIES, the GATT Council and the GATT committees and working parties are regularly extended to the executive secretaries of the regional commissions and the Secretary-General of UNCTAD as well as to the executive heads of the various United Nations organs and agencies.

Furthermore, over a period of years GATT has co-operated with the regional commissions, in particular the Economic Commission for Africa, in the joint sponsoring of commercial policy training courses organized for officials of the member countries of the region. While at present such courses are organized under the exclusive responsibility of the regional commission concerned, GATT continues to lend its support by providing lecturers to participate in such courses whenever requested.

International Trade Centre UNCTAD-GATT

The International Trade Centre (ITC) was established by a decision of the CONTRACTING PARTIES of 19 March 1964 (SR.21/9) and came into operation in May 1964. Since 1968 the Centre has been jointly operated by GATT and the United Nations Conference on Trade and Development. This joint operation has been approved by the General Assembly (resolution 2297 (XXII) of 12 December 1967) and by the CONTRACTING PARTIES (SR.24/11 of 23 November 1967). Initially the working arrangements of the joint operation were of an interim character. The legal status of the Trade Centre vis-à-vis the United Nations system was reviewed in 1973 and 1974 and new administrative arrangements were approved by the CONTRACTING PARTIES on 19 November 1974 and by the General Assembly on 18 December 1974. The two sponsoring organizations, the CONTRACTING PARTIES to GATT and UNCTAD, have a joint and equal responsibility for the general policy and orientation of ITC's work programme. The Trade Centre is recognized as a joint subsidiary organ of GATT and the United Nations, the latter acting through UNCTAD. The two organizations each contribute an equal share to the Centre's budget, which is supplemented by funds earmarked for special projects from the United Nations Development Programme, and by voluntary contributions by some Governments.

Commercial policy courses

Since 1955 two courses in commercial policy are organized by GATT in Geneva each year; one for English-speaking participants from February to June, and the second for French-speaking participants from August to December. The courses are open to officials from developing countries (GATT and non-GATT alike), who have, or may in future have, responsibilities in the formulation and conduct of foreign trade policy. The courses are financed by fellowships granted under the United Nations Development Programme and by GATT under its regular budget for the supply of staff and services.

Relations with the International Monetary Fund

Practical working arrangements have been established with all United Nations organs and specialized agencies in so far as related to matters of interest to GATT.

As regards IMF, however, the provisions of article XV of the General Agreement specifically require that the CONTRACTING PARTIES shall seek co-operation with the Fund so that GATT and the Fund may pursue a co-ordinated policy with regard to questions of quantitative restrictions and other trade measures within the jurisdiction of GATT, and exchange questions within the jurisdiction of the Fund. Whenever the CONTRACTING PARTIES are called upon to consider problems of a monetary nature there is an obligation for GATT to consult fully with the Fund and to accept the determination of the Fund in respect of the financial and balance-of-payments aspects of the matter. Arrangements have been made by means of exchanges of letters between the Chairman of the CONTRACTING PARTIES and the Managing Director of the Fund for co-operation, consultation and co-ordination in the collection of information and making of public announcements. The texts of these letters are attached to document E/5476/Add.12.